

FOREWORD

The subsistence Prime Vendor program is a result of the Department of Defense (DOD) inventory demonstration project. This demonstration proves the viability of using commercial vendors to provide subsistence requirements within Continental United States (CONUS). Under congressional mandate, the DOD Joint Task Group assigned to implement this project approved a deployment plan for all DOD CONUS activities.

Like other Defense Personnel Support (DPSC) Prime Vendor indefinites quantify contracts, the Puget Sound contract is for a single year with four one-year options. The base year value is estimated to be \$20 million dollars. The guaranteed minimum will be twenty-five percent (25%) of the estimated award value per contract period. The maximum ceiling will be two hundred percent (200%) of the total estimated value per contract period. The government also reserves the right to unilaterally execute a higher alternate ceiling of three hundred percent (300%) of the total estimated value of this acquisition in the event of emergencies and mobilization.

Subsistence Prime Vendor (SPV) uses a single, full-line commercial food distributor to deliver straight to the ship. Orders use electronic commerce methods. SPV contracts are tailored to meet the needs of the fleet. Not only that it reduces the distribution and warehousing costs of the Department of Defense at all levels, it also reduces inventory and provides fresher product. Puget Sound area will be divided into two zones (Zone One: Ships; Zone Two: CLF Ships ; 'AOE's Cargo.

Products delivered will be as fresh as possible and within the manufacturers established shelf life. For annual pack items, the products will be from the latest seasonal pack available. It is also important to note that afloat vessels may deploy at a moments notice for an extended time, therefore it is necessary that the delivered product to be of the latest date of pack.

Since our operational commitment is not projected to decrease these changes will help us maximize our existing resources to meet any challenge and at the same time provide a quality service and product to our people. A responsive distribution network with motivated and highly trained Mess Specialist will yield nutritious meals for our patrons. This combination of better training, food source and recipes will bring more respect to the hardest-working rate in the Navy. Those sailors who dine in our facilities deserve the best that we can offer. We are dedicated improving our already high level of quality food and customer service.

INTRODUCTION

The defense Personnel Support Center (DPSC) has awarded the Indefinite Quantity Contract that will establish a full food service distribution support for U.S. Navy's ships located in Puget Sound. The purpose of this contract is to establish the main source of semi-perishable and perishable items such as frozen food products, beverages, primal and subprimal cuts and further processed meat, and seafood to all Navy ships in and around the Puget Sound area.

This subsistence Prime Vendor contract is for full service food distributors that will support the Navy ships located at the Puget Sound region. This contract is for an indefinite quantity and delivery for a base period of one year with four one-year options. The guaranteed minimum for this contract will be 25% of the estimated award dollar value. The maximum ceiling will be 200% with a 300% surge.

In the future, the dollar amount of this contract might change due to increase/decrease in demand, inflation, and other variables that might cause the dollar to increase or decrease.

The Prime Vendor program will change the way we procure food items. The amount of choices and the quality of food items that will be offered by the Prime Vendor will be of the same quality and choices it offers its civilian customers. The Prime Vendor will allow general messes to have more choices, order high quality food items from a civilian source just like the private messes (CPO, Wardroom, and CO's Mess) and civilian facilities. We will have the chance to order the same food items that are being used by the local hotels and restaurants. The Prime Vendor program will provide better quality and choices.

The Prime Vendor will carry national brand name products and the quality will not be the same as the generic food items we used to receive. We might have to adjust the amount of the basic ingredients that we use on our recipe for some of the new products that we will be receiving might have a stronger flavor and of higher concentration compared to the ones that we used before. We also have to be very careful in ordering new products; some might be very good but also very expensive. The Prime Vendor is fully aware of the changes that the Navy will face and appropriate training(s) will be available to ensure a smooth transition.

1. PURPOSE

The purpose of this contract is for the Defense Personnel Support Center (**DPSC**) to establish Indefinite Quantity Contract (**IQC**) to provide all subsistence products to Navy ships located in and around the Naval Station at Puget Sound. This full line food service distributor will support the fleet with following food categories of items:

- Chilled products
- Frozen fish, meat, and poultry
- Semi-perishable food items (canned foods, condiments sauces, seasonings, spices, fats, oils, confectionery, nuts, sugars, etc.)
- Frozen foods such as fruits, vegetables, pastries

(Fresh fruits and the Defense Subsistence Office will still supply vegetables. (DSO). Breads will still be ordered from a local contracted vendor (not the Prime Vendor).

The Puget Sound contract includes the Navy Ships visiting and homeported in the Puget Sound Naval and Submarine Bases such as Bremerton, Bangor Submarine Base, Naval Air Station Everett. Other ships and foreign vessels visiting Puget Sound may be added to the contract on a periodic basis. Every attempt to provide advance notice of this situation will be made for the contractor. The contractor must be able to provide ordering procedures outside the STORES for foreign ships. The foreign ship will handle receipt and payment procedures.

The Prime Vendor program will revolutionize the way we procure food items. The amount of choices and the quality of food items that will be offered by the Prime Vendor will be of the same quality and choices it offers its civilian customers. The Prime Vendor will allow general messes to have more choices, order high quality food items from a civilian source just like the private messes (CPO, Wardroom, and CO's Mess) and civilian facilities. We will have the chance to order the same food items that are being used by the local hotels and restaurants. The Prime Vendor program will provide better quality and choices.

2. IMPACT

The warehouse operations will reduce in direct proportion to the shift of storage and issue responsibility from the government to the vendor. Food Service Officers and Leading MS must ensure the ordering and receiving for their unit is properly conducted. This approach will provide the availability of a much greater variety of food items. Diligence is needed to manage general mess menus, provide sailors with nutritionally adequate and quality meals within the limits of the Basic Daily Food Allowance (BDFA).

(Fresh fruits and vegetables will be supplied by DSO. Breads will still be ordered from a local contracted vendor (not the Prime Vendor).

3. SYSTEMS REQUIREMENTS

The following systems are required to place a vendor delivery order.

Food Service Management (FSM) version 250-01.04 or higher.

Subsistence Prime Vendor Interpreter SPVI/STORES (FISC).

Streamline Automated Logistics Transmission System (SALTS), for afloat units only.

4. DEFENSE PERSONNEL SUPPORT CENTER (DPSC)

DPSC will prepare, award, and administer contracts for direct delivery of Subsistence to general messes, ashore and afloat. Contracts will provide for up to 72-hour delivery service, packaging/labeling requirements, and quality of service required by the vendor. DPSC is to provide and maintain the maximum level of support required enabling success. DPSC is responsible for uploading STORES catalogs to SALTS. New catalogs will be available Monday mornings for download to customers using DPSC SALTS address.

5. DEFENSE SUBSISTENCE OFFICE

Responsible for providing all fresh fruit and vegetable requirements. Place DSO orders for FFV the same as other subsistence requirements. If order is for the same requisition delivery date include with regular order.

6. FLEET INDUSTRIAL SUPPORT CENTER (FISC)

FISC will serve as the point of contact for all Fleet Subsistence requirements under the Prime vendor Program. Commands are not to directly contact the vendor for any subsistence matters. The focus is to provide a consistent interface between the customer base and the subsistence provider to ensure fleet customers are properly supported. FISC will act as liaison for fleet customers. They will track all subsistence requirements from receipt of order to time of delivery.

6.01 FISC Customer Service.

FISC is responsible for the coordination and tracking of delivery of the customer requirements. They will serve as a liaison between the Type Commander (TYCOM), DPSC and Prime Vendor and will intervene for problem resolution. They will report catalog problems to the Prime Vendor for correction; process program updates to STORES received from DPSC and will provide monthly listing of locally purchased items to DPSC with copy to TYCOM for possible inclusion to catalog.

6.02 FISC Point of Contacts.

The FISC Point of Contacts (POC) for Subsistence Prime Vendor orders varies for each region. Check with your local FISC for any particulars for that area. **FISC** Point of Contact personnel will:

- a. Process Orders.
 1. Receive customer requirements via SALTS, Floppy Disk, Telephone, E-Mail and in person.
 2. Input ship requirement into STORES
- b. Coordinate purchase of substitutions.
 1. Contact ships to approve any substitutions from the vendor
 2. Locally procure items, initiate any open purchase requirements if vendor cannot provide replacement item.
- c. Send STORES Order Reports to the ships. Notify ships of locally recurred items, NIS substitutions and cancellations.
- d. Process Receipts.
 1. Receive annotated receipt documents from ships.
 2. Enter receipt data into the **STORES**
 3. Send receipt reports to the ships within **24** hours (ships must double check the quantity they have posted in the **FSM** against this report). Investigate the difference between the invoice posted in the **FSM** and the **STORES** printout from **FISC** (if there's any). If it is an input error in receipt entries, you can modify the receipt using the "Modify receipt function" in **FSM**. Attach a copy of **STORES** receipt data to vendor's invoice. If it is an entry error from **FISC**, ensure that you notify **FISC** for any quantity or price that

7. ITEM AVAILABILITY

The Prime Vendor should stock items in sufficient quantities to fill all ordering ship requirements. Items ordered will be delivered the second day after transmitting the order. Longer order lead-time should be accommodated by the Prime Vendor for ships requesting delivery in three or more days from date of order. This will require coordination between The FISC, the ship, and the Prime Vendor.

8. ORDERING

8.01 Ordering Procedures

FISC will accept routine orders Monday to Friday from **0630** to **1500**. Emergency orders will be accepted anytime during working hours Monday to Friday. The Prime Vendor will accept orders via the **STORES** or commercial ordering system within the certain hours agreed on the contract. The Prime Vendor and **FISC** should provide emergency number(s) and ordering procedures for handling emergency requirements outside the general agreement on the contract. This would be used to facilitate the support of emergency orders, same day deliveries, and loadouts.

Food Service Officers, Leading Mess Management Specialist (**LMS**), Records keeper, and Subsistence Storeroom keeper must work together to ensure requirements planning are done accurately. Proper menu planning and ordering are critical to the success of the prime vendor system. Each command must develop subsistence requirements based on planned menus, current inventories, and projected feeding strengths.

Pre-deployment load outs must be planned in advance.

8.02 Orders not in the Catalog.

Activities may submit special orders for items not in catalog via **FISC**. The, vendor must be notified in advance of these requirements, minimum 7 days, to ensure availability. If the Prime Vendor does not carry the item, **FISC** will use local purchase authority to procure the requirements. This would include items for special meals such as holidays, ethnic celebrations, Tiger cruises, etc..

Fresh Fruits and Vegetables will be ordered and received from **DSO**. Bread will also still be ordered under the same procedure and received from the local vendor (under contract) and not from the Prime Vendor.

8.03 Routine ordering procedures (For Prime Vendor only).

FISC will accept routine orders from 0630 to 1500 Monday to Friday. Orders dropped by 1200 on Monday will have a delivery day of Thursday (72 Hours) unless the customer desires to have the food items be delivered at a later date. Additional information will be provided by **FISC** regarding routine order procedures.

When ordering, ensure to specify your ship's name and hull number, DODAAC, location at the time of delivery, telephone number, point of contact, and required delivery date (RDD). If any changes need to be made regarding the location of the ship or the delivery date, make sure that FISC is notified immediately.

Make sure to call FISC at (360) 476-4206, 24 hours after the order is placed to determine any possible NIS and substitutions. Call FISC 24 hours before the required Date of Delivery (RDD) to determine the approximate time (AM or PM) of delivery and the number of pallets to be received. Additional information will be provided by FISC for orders dropped on Friday and for orders with an RDD of Monday.

First step - Establish the appropriate prime vendor's contract number and name in FSM.

Second Step - Download the catalog on diskette: from SALTS. Identify the catalog on diskette by the name CATALOG.TXT. Download a new - catalog every Monday morning.

STORES WILL NOT ACCEPT ORDER FROM AN OUTDATED CATALOG.

UNDER PRIME VENDOR, SHIPS MUST UPDATE THEIR CATALOG WEEKLY TO MAINTAIN PRICES AT THE CURRENT LEVEL. THE STORES SOFTWARE WILL NOT ACCEPT AN FSM ORDER GENERATED FROM AN OUTDATED CATALOG.

Third Step - Input data from floppy diskette into FSM system. FSM will automatically locate the diskette after selecting "Process Prime Vendor Catalog."

Fourth Step - Create orders in FSM just like regular requisitions. You may select items by NSN or nomenclature. You may view the catalog items by depressing the F6 function key. View rough requisition and go to smooth when no other functions are required. See Appendix A for detailed steps concerning FSM procedures.

Fifth Step - Submit smooth (approved) orders to the STORES via SALTS (preferred method) or diskette (ensures that it is checked for virus).

To prepare the order for submission to-STORES you must perform option 3 from screen F60000001 "Generate Prime Vendor Diskette." Once the order is loaded into STORES, customers will receive a copy of the Order Report from the STORES operator via SALT, normally within 24 hours after order submission. This report is used for material receipt verification at time of delivery. For orders with different requisition delivery dates, you need to download orders on separate diskettes from FSM. See Appendix A for detailed steps concerning FSM procedures.

Note: It will take approximately 24 hours before FISC can received an order sent via SALTS. Plan ahead especially when using SALTS. Although the vendor can deliver the order within 72 hours, it is highly recommended for the fleet to place their orders at least a week before the Required Delivery

Date (RDD) to give ample time in identifying **NIS** items, substitutions, and will ensure that the quality of service provided by FISC and the vendor.

8.04 Emergency Orders/Same day or next day deliveries.

FISC will accept emergency orders anytime between the hours of 0630-1500 Monday to Friday. The Prime Vendor should provide same day emergency service to the ships. Expeditious fulfillment of the emergency requirements is imperative. The prime vendor is responsible for providing the FISC the name of the contractor representative responsible for notification of receipt and handling of such emergency service as well as the phone number and/or pager number. The contractor will accept a maximum of two emergency orders (excluding mobilization actions) per ship each month. Any emergency order(s) over and above this maximum may be charged to the ordering facility at a to-be-determined rate, as negotiated with DPSC.

FISC will utilize local purchase authority when the vendor fails or is unable to provide subsistence requirements. General messes have local purchase authority for subsistence, in **CONUS**. **FISC** will provide a dedicated voice grade telephone line for STORES to use. The customer service representative will promptly resolve customer problems or complaints.

8.05 Ordering from Prime Vendor at other location (other than the ship's homeport).

Ensure to call the DPSC account manager so they can send you the catalog, via SALTS, of the Prime Vendor in the region that you requested. Ships homeported in Puget Sound have to download a new catalog via SALTS from DPSC if they will be ordering stores while the ship is in San Diego, or Hawaii. Each region have their own Prime Vendor, so make sure that you request that region's catalog from DPSC. Catalog from each region are all being updated weekly, and the Prime Vendor will not accept orders from an outdated or other Prime Vendor's catalog.

8.06 Order fill or kill and substitution policy.

All supplies will be furnished on a "fill or kill" basis. No substitute items will be accepted unless authorized by the ship before delivery. Partial shipment is acceptable only if the ship is notified and agrees, however, the unfilled quantity will be canceled.

The contractor is required to stipulate timeframes in which Not-in Stock (NIS) items will be identified to the customer prior to delivery in order that substitute can be used to fill the original order (fill) as long as the ship is notified and accepts the substitute, in cases where no substitute is acceptable the item that was ordered will be canceled (kill).

Order fill rates shall be calculated on an on-time, peer order basis and tracked for monthly submission the DPSC Subsistent Prime Vendor Office. The calculation will be the total number of cases shipped and accepted divided by the total number of cases ordered. All substitutions must be approved by the ordering facility prior to the shipment. Office listing the NIS items, the substituted items, and the reason for the substitution.

9. DELIVERY

All deliveries will be made between 0700 to 1100 (AM Deliveries) and 1101 to 1500 (PM Delivery). Commands can call FISC at (360) 476-4206 24 hours before the Required Day of Delivery (RDD) to determine their delivery schedule (AM or PM Delivery). Although the Prime Vendor is also capable of making deliveries for emergency orders (weekend, same day or next day delivery), and each command is allowed to have at least 2 emergency orders without any charge, each command must limit emergency orders to emergency situations only.

9.01 Holiday Delivery.

All orders are to be delivered within 72 hours of order placement except for Federal holidays as indicated below. When a scheduled delivery day falls on one of these days, commands must coordinate with FISC if delivery is feasible, if not, delivery will take place on the next business day unless a different date was otherwise agreed upon by the FISC, Prime Vendor, and customer.

- | | |
|----------------------------------|---------------------|
| a. New Year's Day | g. Labor Day |
| b. Martin Luther King's Birthday | h. Columbus Day |
| c. Presidents' Day | i. Veteran's Day. |
| d. Easter Sunday | j. Thanksgiving Day |
| e. Memorial Day | k. Christmas Day |
| f. Independence Day | |

9.02 Point of Delivery.

All items will be delivered to the brow of the ship at the specified pier (unless otherwise noted), free of damage, with all packaging and packing intact. The Prime Vendor shall remove all excess pallets used for delivery from the delivery point. Prime Vendor may organize a pallet exchange program with the FISC/Depot. Deliveries shall be made anywhere between 0700 and 1500, depending on the individual requirements of each customer. Delivery schedules should be coordinated with the FISC before arrival to ensure availability of equipment and /or personnel. The Prime Vendor will cover all food products by a material that will protect it from getting wet under inclement weather.

Deliveries can average approximately two times per week to each customer, unless more frequent stops were agreed upon by the customer and the Prime Vendor. Certain customers such as small ships and submarines may require more frequent deliveries due to factors such as less storage capacity. Saturday

deliveries may occasionally be necessary, as can be agreed upon by the Prime Vendor, FISC, and the customer.

All ship's delivery routes and stop-off sequence will be coordinated and verified with the FISC on a post-award basis by the contractor.

Prime Vendor contractors should be aware that projected feeding strengths at each naval location are subject to fluctuations based on a variety of factors, i.e. seasonal increases/decreases in personnel, surges in personnel during crisis situations or deployment and/or homecomings. The Prime Vendor Customer Service Representative should maintain open communications with the FISC to be aware of these fluctuations and work closely with customers to provide the increased quantity and frequency of deliveries needed during these critical times. Prime Vendor communication with the FISC is essential.

9.03 Delivery Vehicles.

The contractor's delivery vehicles shall be equipped with liftgates and have the capability of storing and maintaining different temperatures to facilitate product segregation as necessary to deliver products at the proper temperature. Deliveries shall be made in clean, closed vehicles. When transporting food items, the vehicles shall be maintained in good sanitary condition to prevent contamination of the material.

Delivery vehicles used to deliver items under this contract shall be subject to sanitation inspection at destination. Supplies transported in vehicles, which are not sanitary, or which are not equipped to maintain prescribed temperatures, may be rejected without further inspection. Trucks must make all deliveries with gate lowering capabilities. All deliveries must be off-loaded on the piers at the brow of the ship.

9.04 Late delivery.

If the Prime Vendor does not make a delivery within the specified delivery window of 5 AM @3 PM/1500 to a ship, he will be liable for a certain percentage of costs incurred by the ships (as specified in the contract) except if:

1. The Prime Vendor attempts delivery and is refused entry to the base or pier
2. The ship or FISC Puget Sound, acting as agent for the ship, cancels, or refuses delivery.
3. The Prime Vendor is delayed, through no fault of their own, at a prior delivery site resulting in delays to subsequent deliveries.
4. The Prime Vendor shall not be liable for any excess cost if the failure to perform arises out of causes beyond the control and without the fault or negligence of the contractor. Such the contract Cases may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure

To perform must be beyond the control and without the fault or negligence of the Prime Vendor

10. INSPECTION AND ACCEPTANCE

10.01 Labeling.

The following information should be on the label in each box:

National Stock number (NSN)

Food Item Code (FIC)

Name of product

Manufactured date, Expiration date (Open date such as **98 MAR 31** or **1/31/98**, not coded

Unit of issue (based on the Government's Unit of issue)

Unit of issue per case

Manufacturer's Lot number.

10.02 Shelf-life Requirements.

There should be at least **70%** of Shelf Life remaining in all products delivered **by** the Prime Vendor. Products delivered will be as fresh as possible and within the contract's established shelf life. The Date of Pack, expiration date/Best if used by date must be clearly visible on all delivered products. **If** the date of pack is January of **1998** and the Expiration date or Best if used **by** date is October 1998, you should receive this not later than April **1998 (70% shelf life remaining)** should.

Inspection and acceptance of products will be performed at destination. The inspection is normally limited to identity, count and condition. However, all deliveries are subject to military medical inspection at destination. Delivery vehicles may be required to stop at a central location for medical inspection before proceeding to the assigned delivery point(s). Each authorized receiving official at each delivery location will be responsible to sign for and accept products as they are delivered. The Prime Vendor is responsible for providing **two copies** of the delivery ticket for each delivery. The receiving official as the receipt document will use these. The signed and annotated delivery ticket will serve as the destination acceptance document for each delivery as well as the invoice document for submission to the Defense Finance and Accounting Service Center. Invoices shall reflect only items accepted by the receiving official at the ordering facility. **The receiving official must sign all invoices.**

The contractor is responsible for proper product storage, segregation, and delivery of product in excellent condition. The following will apply:

1. Frozen food items will be stored and delivered at 0 degrees Fahrenheit or less to the initial delivery location. Product shall be maintained and received in a frozen state to all subsequent delivery points. Evidence of thawing and refreezing shall be cause for rejection of an item.
2. Case weight of frozen meat items should be at least 40 pounds and not over 60 pounds in weight with a ½ inch head space (air gap).
3. Items requiring "Protection from Heat" shall be stored and delivered at a temperature below **70** degrees Fahrenheit or less.

4. Items requiring "Chilled" conditions shall be stored and delivered under refrigeration of 32 to 40 degrees Fahrenheit.
5. For ice cream, the recommended storage and delivery temperature is -10 degrees Fahrenheit and the temperature should not exceed 0 degrees Fahrenheit.
6. Containers and wrapping must be intact and not damaged. Packages will be free of dripping and show no evidence indicating that the contents have thawed, been refrozen, freezer burned, etc. and must show no evidence of dehydration.
7. The receiving official at each pier shall inspect supplies as promptly as is practicable after delivery. Failure to promptly inspect or accept supplies does not relieve the contractor from responsibility, or impose liability on any one of the ordering facilities, for non-conforming supplies.
8. Supplies transported in vehicles, which are not sanitary, or which are not equipped to maintain prescribed temperatures, may be rejected without further inspection.

10.03 Country of Origin.

In general, all subsistence received will be of US origin. Items listed below may originate from foreign suppliers in accordance with the Berry Amendment.

LIST OF ITEMS UNDER THE BERRY AMENDMENT

Federal agencies have determined that the items listed below are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quantity. This waiver is subject to modification or withdrawal by the United States Trade Representative. The item listed in this enclosure is provided for information only. The excepted food items under the Berry Amendment are:

Agar, Bulk	Coffee, raw or green bean
Anise	Olive Oil
Bananas	Olives (green), pitted, or stuffed, in bulk
Corned Beef, Canned	Oranges, Mandarin, Canned
Beef Extract	Spices and Herb's in Bulk
Brazil nuts, unroasted	Sugars, raw
Cashew Nuts	Tapioca, Flour and Cassava
Castor Beans and Castol Oil	Cream of Tarter in bulk
Chestnuts	Tea in Bulk
Cocoa Beans	Thyme Oil
Coconut and coconut meat, unsweeted, shredded, desiccated or similar prepared form	Vanilla Beans

11. RECEIVING

11.01 Receiving Activity/installation.

The ship must be prepared to receive stores at the scheduled delivery time. Minor delays can be accommodated however significant delays will affect the entire day's schedule. **If the ship is not prepared to receive stores at the scheduled time, the Prime Vendor may move to the next ship and attempt delivery at a later time.**

The ship or customer can order subsistence from the catalog through **FISC**. These orders can be submitted through **SALTS** or floppy disk. The Food Service Officer must train receiving personnel in receipt procedures to identify, count, and evaluate the condition of all items delivered **by** the vendors. The food does not become Government property until it is signed for by the receiving activity. The receiving activity will act as the final authority on decisions to reject or accept deliveries of subsistence. It is the receiving activities' responsibility to ensure that the delivery is accurate and in good condition before signing the delivery ticket. For contractual violations and quality problems the receiving activity must report problems to **DPSC** via **FISC** and **TYCOM**.

Examples of contractual violations are: inadequate shelf life remaining (**70%** of shelf life should be remaining), incorrect packaging delivery (the air gap on boxes for frozen items should not exceed ½ inch), outside the 72 hour time frame after an order placement (except if a later date is requested by the contractor). If the receiving authority notices a food safety issue and an authorized food inspector recommends rejection, return food to the vendor.

11.02 Receiving Procedures.

Subsistence is delivered directly to the ordering ship from the vendor. The ship must conduct identity, quantity and condition checks on all items prior to signing invoice. Receipt processing for accepted material is as follows:

1. Meet the delivery truck on the pier with your list of outstanding orders and verify items ordered. Remember that once an item is signed, the government is obligated to pay for it whether you actually received it or not. If a ship is not available for delivery, the driver will contact FISC who in turn will try to contact the ship. FISC will act using the following guidelines:

Up to 1-hour delay - Ask Prime Vendor to wait or make other deliveries and return.

Over 1 hour - **FISC** will contact the ship for further instructions and discuss possible re-delivery of items to the ship. Communication between FISC, the ship, and the Prime Vendor is very important to determine whether the undelivered items will be re-delivered or needs to be re-ordered.

2. Circle item quantity received and sign the invoice. Clearly mark all changes to the delivery invoice. Since the vendor's unit of issue is normally in case, ensure that you check and circle the total amount of units you received based on the government's unit of issue (i.e. cans, pounds, jars, containers, box, etc..) For any changes in the quantity that you received, ensure that you line out the incorrect quantity, initial the correction, then annotate and circle the right quantity received and the reason for the change (i.e., rejected, short quantity, missing, substitution). The person making the change and the driver must initial each change. Do not load any item onboard (especially those with discrepancies in quantity or quality) until the driver annotated the necessary correction to the invoice.

3. The receiving activity should keep at least **2 copies** of the invoice. It will be the vendor's responsibility to deliver the remaining copy of the invoice to **FISC** for posting to the STORES computer.

4. Deliver receipt document (ship's copy) to the recordskeeper for receipt processing in **FSM**.

Note: The next step (number 5) is provided for your information only. Commands should manually post their receipts. Read the '**Important Notice**' below.

5. **STORES** provides receipt data resulting from **FSM** generated **STORES** orders. This data is provided on diskette, which in turn may be processed in **FSM** by selecting the "Process **STORES** Receipt Diskette" (Ensure that it was checked for Virus). **FSM** will automatically locate the diskette and download STORES receipt data into the **FSM** system.

IMPORTANT NOTICE after posting the prime vendor invoice manually, **do not** process the STORES receipt diskette (received from FISC via SALTS) through the FSM. Print out data on diskette using a word processing program. Insert the diskette into appropriate drive; select drive which diskette is located and open file. Print out data and compare with the items manually posted in FSM. If a word processing program is not available, you can accomplish this task through DOS. Type at DOS prompt (print a: or b: depending on drive disk was inserted, name of file.)

Example: c:\print a:20884709.83r (depress enter **key**) :
 c:\print b:20884709.83r (depress enter key)

Investigate the difference between the invoice posted in the FSM and the STORES printout from FISC (if there's any). If it is an input error in receipt entries, you can modify the receipt utilizing the "modify receipt function" in FSM. Attach a copy of STORES receipt data to vendor's invoice. If it is an entry error from FISC, ensure that you notify FISC for any quantity or price that that needs to be change.

6. Print out receipt report and attach to vendor's hard/copy invoice.

11.03 Control of Receipt Documents.

At time of delivery, the vendor will provide a copy of the delivery invoice to the receiving activity. The vendor will also drop off the original invoice to the **FISC**. After receipt is processed in FSM system and audited, the Food Service Officer will retain invoices in the accountability file, for a period of one year.

12. SURGE/MOBILIZATION CAPABILITY

The Prime Vendor should have the capability to handle large increases in quantities demanded for short periods of time and on short notice. The Armed Forces may encounter unscheduled arrival of ships; with only a few hours notice. The order requirements could more than double their normal usage on a given day(s). The timing of these types of surges will be-impossible to anticipate. Pricing constraints for items furnished during these periods will be the same as for those routine, non-surge orders.

The requirement to handle full-scale military mobilization or national emergency wherein consumption could easily double or triple at any site for a protracted period will also be provided. The TYCOM/FISC/Prime Vendor will develop a formal readiness plan outlining how this increased workload will be met, such as using additional suppliers, subcontractors, trucking companies, etc. and how this sustained increase would be satisfied. Normal mobilization strategies provide lead times of at least thirty (30) days to build to the necessary support level.

13. PALLETS AND HEAD SPACE

All ships will receive palletized products. **All** products must be palletized using a two-way wing-type pallet (for Carriers and L-Class ships) or a standard commercial pallet. If the type of pallet is a commercial wood wing, the pallet dimensions are **40" X 48" X 48"** or **48" X 40" X 48"**. If using a standard commercial pallet the maximum height should not exceed **54"** including the pallet. **All** pads must be commercial fiberboard, **40" X 48" I** positioned on the pallet before loading pallet. The use of shrink film or stretch film is acceptable.

The palletized/containerized unit loads require placards. The placards contain identification and contract data markings, which are to be stenciled, printed or labeled on two adjacent sides of the unitized load. The placards contain the stock number, item description, quantity, size and unit, the quantity is the number of shipping cases in the unit load, the gross weight and cube, the contract and delivery order number, the contractors name, address and nine digit zip code, and expiration date or best used **by** date.

All shipments of flour, sugar, salt and rice must be placed in trawl containers or commercially acceptable configuration. Alternate packaging must be approved prior to usage.

Packaging for shipboard stowage may require deviation from standard commercial pack. Product should be packed in a snug fitting case. Case headspace must be kept at least ½ of an inch to accommodate stowage aboard ships.

Frozen product must be processed and packed to allow removal of the individual units from the container without damage to that or other units. (The intent is to be able to remove only that amount of product required for current needs, without the necessity of defrosting the whole case).

Immediately after receiving stores, each command is responsible for stacking the Empty pallets at the head of the pier (gate) for Prime Vendor pick up.

14. RETURNS

14.01 Authorized Returns.

The contractor shall accept returns under the following (but not limited to) Conditions:

- a. Products ships in error.
- b. Products damaged in shipment.
- c. Products with concealed or latent damage.
- d. Products that are recalled.
- e. Products which do not meet shelf life requirement.
- f. Products that do not meet the minimum quality requirements as defined for the items listed in the schedule.
- g. Products delivered in unsanitary delivery vehicles.
- h. Products delivered that fail to meet the minimum/maximum-specified temperature.
- i. Over-ordered products in new condition.

The receiving activity is responsible for completing the Report of Discrepancy for all material that does not meet the standard. All cases must have a label with expiration date to determine if adequate shelf life remains on material. All invoices shall reflect only items accepted by the receiving official at the ordering facility. The receiving official must sign all invoices.

15. REJECTION AND RE-DELIVERY

15-01. Rejection and re-delivery of replacement items.

In the event an item(s) is rejected, delivery tickets will be annotated as to the item(s) rejected. These items and their respective costs shall then be lined out and initialed by the driver and the receiving person. However, replacements shall be authorized, dependent upon the ship's needs.

Same day re-delivery of replacement items shall be provided when the customer requires immediate use of the item. In this instance, the replacement items needs to be re-ordered by the ship and it will have a same-day or a next day delivery date (if the customer requires immediate use of the item otherwise it can be delivered at a later date agreed upon by the customer, FISC, and the vendor).

Replacement items that are delivered the same day or later will require a new order entry and will be delivered under a separate invoice. These re-deliveries will not be considered as an emergency order. Replacement items may be delivered on an unlimited basis at no extra charge.

When product is found defective after the initial delivery due to a latent defect or hidden defect, the ship must survey these items as "Return to Prime Vendor Latent/Hidden Defect." (Please see Item #1 7 'Latent or Hidden Defects' pg. 22 for more information). The prime vendor will pick up the rejected product on the next regular delivery day after receiving notice of the defect. Credit due to the ordering activity as a result of the rejected product being returned without replacement will be handled through a

discrepancy report to DPSC, whereupon DPSC will process a claim with the contractor for the rejected product. In these instances, the contractor shall provide a copy of the credit memorandum with applicable invoice, call and line item number to the installation level customer representative.

The invoice signed by the receiving official should only reflect the items that were actually received. Commands must not sign for a replacement item until it was actually received.

15.02 Rejecting Subsistence.

The receiving activity will normally make the decision to reject items at time of delivery. -Notify the veterinary command or medical representative to reject items that show signs of decay, frozen item that is thawed, cans having severe dents, swells, rust or pinholes. Do not accept any foreign made products (i.e. Mushrooms that are made in China, Tuna that are made and packed in Thailand). The Prime Vendor will deliver products that are made in the United States of America only except those items under the Berry Amendment.

The receiving activity must:

First: Notify the FISC customer service representative for immediate resolution of problem (if problem deals with shortage in shipment, unauthorized substitution, etc.).

Second: Immediately notify their DPSC account manager through TYCOM representative of any problem not resolved with the vendor.

Third: Submit a Report of Discrepancy (SF 364) to DPSC via FISC and TYCOM.

16. SHORTAGES

16.01 Shortage in shipment and shipping errors.

1. The receiving official on the delivery invoice(s) accompanying the shipment will note all short shipments. The Prime Vendor representative and the receiving officer will clearly mark all changes to the delivery invoice and must circle the quantity actually received and sign the invoice for each change.

The amount of shortage needs to be re-ordered by the ship under a separate order and will be delivered on a separate invoice. The customer can request same day delivery if they require immediate use of the item. Same or next day re-deliveries due to shortage in original shipment will not be considered an emergency order and may be delivered on an unlimited basis at no extra charge.

2. Any product delivered in error by the Prime Vendor must be picked up immediately after receiving notice of the error from FISC.

17. LATENT OR HIDDEN DEFECTS

When product is found defective after the initial delivery due to a latent defect or undisclosed reason. The Prime Vendor should pick up the rejected product immediately after receiving notice of the defect. The FSO should consult with Army Vets personnel before discarding any questionable or possibly unsafe food items.

When hidden or latent defects (Non-hazardous) are discovered during storage or preparation of an item, the FSO must request inspection by Army Vets (preferably) or medical representative personnel. These items (NON-HAZARDOUS) must be kept onboard until the ship is back to its homeport and items can be returned to the vendor for a replacement. However, if the storage capacity does not permit such action to be taken, these items must be surveyed. If surveyed, ensure to obtain a picture of the item, a certificate of unfitness for human consumption from the medical department and submit a copy of the survey form with the Report of Discrepancy (ROD) to DPSC via TYCOM for possible credit. For HAZARDOUS food items (if the vendor is at fault) discovered at sea, follow the procedures set forth in P486 Vol. 1 in surveying and disposing these items. Ensure to obtain a picture of the hazardous item, a certificate of unfitness for human consumption from the medical department and submit a copy of the survey form with the Report of Discrepancy (ROD) to DPSC via TYCOM for possible credit. For hazardous food items discovered (if the vendor is at fault) while the ship is import, notify the Army Vet, Medical Department, TYCOM, FISC, and the vendor about the situation, and return these items to the vendor for a replacement.

When Army Vets or Medical representative substantiate the existence of hidden or latent defects, they will also determine if the items are fit for human consumption. Surveyed items should be return to the vendor in its original container and temperature (if possible) to be able to get credit for these items. Items with latent or hidden defects must be surveyed as 'Return to Vendor - Latent/hidden defect.' The Prime Vendor might not give credit for surveyed items not returned to them.

18. REPORTING OF DISCREPANCY OR SHIPMENT

Timely reporting of problems encountered in the delivery of subsistence is critical. Use the Report of Discrepancy (ROD) to report any problem encountered in the delivery of subsistence by contract vendors. This form is multi-purpose and used to report a variety of problems. Originators must be specific in describing the nature and facts of the problem being reported. Prior to submission, ensure it is review for accuracy and detail. The main goal is to have someone, not from your command that is not familiar with the problem, be able to read the report and take action based on-the information that was submitted. Upon completion, forward it to DPSC for action via FISC and TYCOM.

19. TURN-IN OF SUBSISTENCE

DDPW will no longer accept turn-in of subsistence. When a general mess is closed permanently or temporarily the FSO will make every attempt to use all stock onboard prior to closure or transfer excess food items to other commands. Use a DD Form 1149 to record transfer of subsistence between general messes. If further assistance is needed, please contact ATGPAC.

20. CATALOG UPDATES/CHANGES

The vendor updates the catalog weekly by DPSC and indirectly. The vendor may indirectly update the catalog on a weekly basis, normally weekend, so changes will be available for units by Monday morning. The vendor's updates are usually changes in price, additions or deletions to the catalog. Activities may request to have items added to the prime vendor catalog. The FSO will complete and forward, to the TYCOM, a Prime Vendor Local Stock Number Request. The TYCOM will review the request and overall need or usage of the item and forward it to DPSC. DPSC will then assign a stock number and include the item in the vendor's catalog. That particular item can be ordered upon receipt of a stock number and inclusion in the catalog.

21. ESTABLISHING PRICE

DPSC will establish and distribute price listed in the contract. Prime vendors will submit required price changes to DPSC weekly. All prices will be distributed through the STORES catalog and will remain in effect until the STORES modifies it. FISC will provide price list for any items purchased locally or under separate contracts.

22. VETERINARY COMMAND

The U.S. Army Veterinary Service is responsible for the Food Safety and Product Compliance-Evaluations. They will develop a product verification program that will ensure all food delivered to all Navy General Messes meets the quality of the product you ordered. Food received from Prime Vendor contractors or subcontractor will be subject to random inspections by the Army Veterinary service personnel at origin or destination. The Army Vets can come onboard ships to inspect the quality of the food items received from the Prime Vendor. The Food Service Officer or his/her representative can request U.S. Army veterinary service or the medical representative to assist with any determination that delivered food is deteriorated, contaminated or infested.

The Army Vets will not conduct a sanitation inspection of any food service space. However, they are allowed to be present in a food service preparation area to inspect the food items before and after it was prepared.

Deliveries made by the Prime Vendor are subject to random inspection by the Army Vets. In the absence of the Army Vets, the Food Service Officer must request assistance from the Medical Department Representative (MDR) to determine if delivered food is deteriorated, contaminated or infested. (The MDR is still required to perform fitness-for-human consumption inspections on local purchase food items not inspected by Army veterinary personnel). Under STORES the Army veterinary food inspection will be as follows:

- a. Random inspection on deliveries will be conducted on the pier as they are received.
- b. Routine customer service visits will be scheduled to evaluate products received and the **Stress's** performance
- c. Special product compliance evaluations will be performed to ensure that the items meet all the requirements in the purchase documents under which they were procured.
- d. On-call assistance will be provided if a problem is noted during or after a delivery with a particular food product.
- e. Veterinary assistance should be requested advance for all loads outs/deployments, if desired.
- f. Under this program, the veterinary's food inspector's stamp is not required for the vendor to receive payment.
- g. The dollar amount for any Army Vets sampling will be posted as a Survey (Check the **NAVSUP P-486** for the dollar value limitations in using the **NAVSUP 1334**, Loss without Survey, or the **DD Form 200**, Report of Survey). Puget Sound Army Veterinary Command's Telephone number is (360) 476-6997.